

# Exhibit G

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

HUZHOU CHUANGTAI RONGYUAN  
INVESTMENT MANAGEMENT  
PARTNERSHIP, et al,

: Docket #21-cv-09221

Petitioners, :

-against-

:

HUI QIN,

: New York, New York  
April 18, 2023

Respondent.

-----:

PROCEEDINGS BEFORE  
THE HONORABLE KATHERINE POLK FAILLA  
UNITED STATES DISTRICT JUDGE

APPEARANCES:

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None				

E X H I B I T S

<u>Exhibit</u> <u>Number</u>	<u>Description</u>	<u>ID</u>	<u>In</u>	<u>Voir</u> <u>Dire</u>
None				

1           THE DEPUTY CLERK: Your Honor, this is in  
2           the matter of Huzhou Chuangtai Rongyuan Investment  
3           Management Partnership, et al. v. Qin.

4           Counsel, please state your name for the  
5           record, beginning with petitioners.

6           MR. SMITH: Good morning, Your Honor. This  
7           is Andrew Smith from Pillsbury Winthrop Shaw  
8           Pittman on behalf of petitioners.

9           And I have along with me my colleagues,  
10          Geoffrey Sant and Carol Lee.

11          THE COURT: Good morning. Thank you very  
12          much for appearing.

13          And representing the respondent this  
14          morning?

15          MR. KUSHNER: Good morning, Your Honor.  
16          This is Amiad Kushner from Seiden Law. My  
17          colleague, Tony Zhang, is on the line with me.

18          THE COURT: Okay. Thank you as well.

19          There is a pending motion to compel and for  
20          sanctions and for civil contempt. And what I'd like  
21          to do, please, is to give to you an oral decision  
22          because that will be the quickest way of deciding  
23          the matter. So what I'm going to ask you to do,  
24          please, is to take a moment and mute yourselves.  
25          And as you do so, I'll get ready to read the

1 decision. Thank you very much.

2 Today we're having a conference regarding  
3 the petitioners' motion to compel for sanctions and  
4 for an order of civil contempt against respondent  
5 and for sanctions against his current counsel, the  
6 Seiden Law Group. The Court has reviewed the  
7 briefing from petitioners and from respondent and  
8 the Seiden firm in connection with the motion, as  
9 well as the exhibits submitted with those  
10 submissions, including the transcript of the  
11 respondent's January 30, 2023 deposition. I'm also  
12 aware of some recent e-mails that provide the  
13 parties' interpretations, how they see the more  
14 recent productions and the updates on them.

15 For the reasons that I'm about to state,  
16 this court finds that respondent has repeatedly and  
17 willfully failed to comply with his discovery  
18 obligations. And as a consequence, this Court is  
19 ordering the respondent to respond to petitioners'  
20 document requests and interrogatories on an  
21 expedited basis and to sit for a second deposition  
22 at his own expense.

23 Additionally, The Court orders respondent  
24 to bear petitioners' costs and attorneys' fees  
25 associated with this motion. But at this time, the

1 Court declines to assess sanctions against the  
2 Seiden firm, and it declines to hold respondent in  
3 civil contempt.

4 The procedural history of this matter is  
5 recounted at length in the Court's summary judgment  
6 and reconsideration opinions, so only the history  
7 that's relating to post-judgment discovery is going  
8 to be recounted by me here.

9 On October 28th of 2022, recognizing a  
10 well-founded risk that respondent is concealing or  
11 will conceal assets to avoid collection of the  
12 judgment, the Court granted petitioners' motion to  
13 dissolve Rule 62(a)'s 30-day stay on collection  
14 following judgment. And for the same reason, the  
15 Court recognized a need for expedited post-judgment  
16 discovery and ordered expedited production shortly  
17 thereafter.

18 On November 19th of 2022, the Court held a  
19 conference to discuss Benjamin Xue's motion to  
20 withdraw as counsel for respondent. The Court  
21 granted the motion in reliance on a representation  
22 from incoming counsel for respondent, the Seiden Law  
23 Group, that it had obtained the full client file  
24 from Xue and would promptly produce all responsive  
25 documents. At that conference, petitioners raised

1 to the Court their concern that they had not yet  
2 received any documents from respondent despite the  
3 Court's order expediting discovery.

4 Less than one week later, Xue & Associates  
5 filed a motion to quash petitioners' subpoenas on  
6 the firm. On January 6th of 2023, the Court denied  
7 the firm's motion to quash in large part and ordered  
8 Xue to respond to subpoenas on an expedited  
9 timeline. The information sought by the subpoena  
10 included respondent's known addresses, banks and the  
11 sources of funds used to satisfy a settlement in a  
12 different litigation.

13 On January 9th of 2023, petitioners  
14 requested a conference to discuss their ongoing  
15 concerns about respondent's compliance with his  
16 post-judgment discovery obligations; specifically,  
17 petitioners' claim that respondent had not produced  
18 a single document in the three months following the  
19 entry of judgment. Respondent produced 82 documents  
20 the day after petitioners filed their letter  
21 request; 81 of which were public documents,  
22 including court judgments in other cases involving  
23 respondent.

24 The Court held a conference on January 30th  
25 of 2023 to discuss the matter. The Court ordered

1 the parties to meet and confer, following which,  
2 respondent would file a letter on the docket  
3 containing any outstanding objections to  
4 petitioners' request for production. The Court also  
5 ordered respondent to appear for deposition in the  
6 month of January. Finally, the Court noted that  
7 should petitioners still not be satisfied with  
8 respondent's productions, they should file a  
9 proposed motion-to-compel briefing schedule by  
10 February 6th of 2023.

11 The Court received a call from the parties  
12 on January 30th of 2023, several hours into  
13 respondent's deposition. Petitioners reported that  
14 respondent repeatedly refused to answer their  
15 questions. The Court ordered respondent to answer  
16 every question unless specifically instructed not to  
17 by his attorney, and warned counsel that respondent  
18 was in violation of the order compelling his  
19 deposition.

20 On February 14th of 2023, petitioners filed  
21 the instant motion. Petitioners' claim that  
22 respondent is in violation of three of this Court's  
23 orders: Number one, the November 1, 2022 order  
24 expediting discovery; number two, the January 23,  
25 2023 order directing respondent to sit for a



1 deposition; and number three, the January 30, 2023  
2 order issued during respondent's deposition,  
3 directing him to answer questions unless  
4 specifically advised not to by counsel.

5           Petitioners seek, first, an order  
6 compelling respondents to -- respondent to respond  
7 to the document request contained in Appendix A to  
8 the Declaration of Carol Lee, respond to the  
9 interrogatories contained in Appendix B to the Lee  
10 Declaration, and sit for an additional deposition of  
11 indeterminate length.

12           They also seek sanctions on respondent and  
13 his counsel. They seek an order compelling  
14 respondent to appear in person at a civil contempt  
15 hearing at which the Court will enter a contempt  
16 finding and order damages, seizure of devices and  
17 property, and/or detention until respondent's  
18 contempt is purged by paying the judgment or  
19 producing the documents requested in Appendix A and  
20 answering the interrogatories in Appendix B, and an  
21 order awarding petitioner attorneys' fees and  
22 expenses for the prosecution of this motion.

23           On April 13th of 2023, following the  
24 scheduling of this hearing, the parties filed a  
25 joint update regarding respondent's productions.

1 They reported that in the weeks since petitioners  
2 filed the instant motion, respondent has produced an  
3 additional 92 documents; 79 of which are publicly  
4 available. Respondent's recent productions include  
5 his 2020 tax returns and bank statements from  
6 JPMorgan Chase. I turn, now, to the legal standards  
7 at issue here.

8 "Discovery of a judgment debtor's assets is  
9 conducted routinely under the Federal Rules of Civil  
10 Procedure." I'm quoting here from a Second Circuit  
11 decision in 2002, First City, Texas-Houston, NA v.  
12 Rafidain Bank.

13 And under Rule 37(a), a judgment debtor --  
14 excuse me -- judgment creditor may move to compel a  
15 judgment debtor's compliance with post-judgment  
16 discovery requests. It's -- that's a principle  
17 found in many cases. One of them is Export-Import  
18 Bank of The Republic of China v. Democratic Republic  
19 of The Congo; 2018 Westlaw 10601809.

20 And in considering a motion to compel, the  
21 Court keeps in mind that judgment creditors must be  
22 given the freedom to make broad inquiries to  
23 discover hidden or concealed assets of the judgment  
24 debtor. Here, I'm quoting from GMA Accessories,  
25 Incorporated v. Electric Wonderland, Incorporated;

1     2012 Westlaw 1933558, a decision from a sister court  
2     in this district from 2012.

3             Any "motion must include a certification  
4     that the movant has, in good faith, conferred or  
5     attempted to confer with a person or party failing  
6     to make disclosure or discovery in an effort to  
7     obtain it without court action." I'm quoting here  
8     simply from Rule 37(a)(2).

9             And so, for the first principle, first part  
10    of this decision, this Court is ordering respondent  
11    to respond to petitioners' document requests and  
12    interrogatories and to sit for an additional  
13    deposition. In this regard, petitioners have  
14    demonstrated that they are entitled to an order  
15    compelling these actions.

16            Petitioners have plainly met the criteria  
17    for an order to compel. They seek information about  
18    bank accounts, credit cards and trusts controlled by  
19    respondent, as well as documentation of his income,  
20    property and vehicles and contact information for  
21    the assistants and friends respondent has identified  
22    in his deposition as contributing to and/or managing  
23    his finances. This information squarely relates to  
24    their efforts to locate his -- respondent's assets.

25            Additionally, petitioners satisfied Rule

1 37's procedural requirements by certifying that they  
2 conferred with respondent on the issue prior to  
3 filing this motion. And indeed, this Court has  
4 ordered such a meet-and-confer at Docket Entry 100  
5 in this case. For the most part, respondent does  
6 not dispute that petitioners' requests are  
7 appropriate. And, in fact, he agrees to respond to  
8 their document requests and interrogatories, except  
9 to the extent that they seek privileged information  
10 and subject to certain limited objections discussed  
11 at pages 21 and 22 of his brief. And given this  
12 agreement, this Court does not spend more time on  
13 the propriety of an order to compel, but instead  
14 objections to petitioners' discovery requests.

15 First, respondent objects to petitioners'  
16 demands for immigration documents that he submitted  
17 to USCIS from March 2017 through the present on the  
18 ground that petitioners have not established their  
19 relevance because respondent testified that he did  
20 not participate in any investment-based immigration  
21 program. This objection is denied or, if you will,  
22 overruled. Respondent's immigration records are  
23 relevant because they may contain information about  
24 his finances, addresses and marital status, and thus  
25 may identify assets and speak to the nature and

1 timing of respondent's purported divorce.

2 In the Fifth Circuit in 2016, in the case  
3 of Cazorla v. Koch Foods of Mississippi, LLC, a  
4 similar request was granted for the disclosure of  
5 visa applications. Of course, productions  
6 responsive to this request shall not be disclosed  
7 beyond the extent permitted by the parties' existing  
8 confidentiality order.

9 The respondent also objects to petitioners'  
10 demands for documents related to the FBI's raid of  
11 respondent's home in Old Westbury, New York,  
12 including business cards received from FBI agents,  
13 search warrants and subpoenas, again, on relevance  
14 grounds. Petitioners respond that it is appropriate  
15 to seek these records because respondent referenced  
16 the raid in his deposition and because information  
17 about the investigation can constitute  
18 circumstantial evidence of fraud.

19 Again, this Court denies or overrules  
20 respondent's objection to this document request.  
21 Subjects raised by a party in their deposition are  
22 properly within the scope of discovery, and  
23 respondent's potential history of fraud speaks to  
24 petitioners' instant concerns about current  
25 fraudulent concealment of assets.

1           Finally, respondent requests that if the  
2       Court orders him to sit for an additional  
3       deposition, it will be limited to three hours and  
4       focus only on the documents or information that  
5       petitioners obtained after respondent's January 30th  
6       deposition. The Court understands that since the  
7       briefing of this motion, respondent has agreed to  
8       sit for an additional deposition on April 24th. The  
9       Court appreciates respondent's cooperation, but  
10      addresses, nonetheless, the parties' previously  
11      briefed concerns in order to offer the parties  
12      clarity going into respondent's second deposition.

13           Depositions are typically limited to seven  
14      hours. See the committee note on Rule 30. But  
15      courts have broad discretion to set the length of  
16      depositions appropriate to the circumstances of the  
17      case. I'm quoting here from Arista Records LLC v.  
18      Lime Group LLC; 2009 Westlaw 1752254, a decision  
19      from Judge Lynch from 2008.

20           This Court finds that a deposition of up to  
21      two days is appropriate under the circumstances.  
22      And in reaching this conclusion, this Court  
23      considered the following factors: The Court shares  
24      petitioners' concern that if it imposes a time  
25      limitation on respondent's deposition, he may

1 intentionally fill the time with unrelated anecdotes  
2 and non sequiturs, as he did in his first  
3 deposition, including such topics unrelated to the  
4 case as the unpopularity relative of the (inaudible)  
5 -- in the United States.

6 This Court is not concerned that respondent  
7 is requesting interpretation services without cause.  
8 After all, it is in the interest of all parties for  
9 their communications to be clear and unambiguous.  
10 But the Court notes that the use of an interpreter  
11 cuts in half the time available for asking and  
12 answering questions and weighs in favor of a  
13 longer-than-usual deposition.

14 Finally, because of respondent's lack of  
15 cooperation during his first deposition, the Court  
16 will not limit the scope of his second deposition to  
17 information obtained after January 30th of 2023  
18 because that limitation would unfairly prevent  
19 petitioners from fully exploring pertinent lines of  
20 questions that they were previously thwarted from  
21 exploring by respondent's recalcitrance, so the  
22 Court denies respondent's requested limits on his  
23 second deposition.

24 Under ordinary circumstances, this Court  
25 would credit a party's promise to fully produce

1 responsive discovery, but as the Court will detail  
2 in a little while, it has serious concerns about the  
3 genuineness of respondent's efforts to comply with  
4 his discovery obligations to date. In the interest  
5 of clarity and in an effort to avoid future  
6 discovery disputes, the Court finds that an order  
7 compelling production is necessary to ensure  
8 respondent's compliance. Accordingly, petitioners'  
9 motion for an order compelling discovery is granted.

10 Respondent shall respond in full to the  
11 document request contained in Appendix A of the Lee  
12 Declaration and to the interrogatories contained at  
13 Appendix B to the Lee Declaration no later than  
14 April 21, 2023. The Court expects that respondent  
15 will respond to these requests sufficiently and  
16 fully. Partial responses like those requests  
17 received to date -- a single tax return, a single  
18 bank statement, and things of the like -- are not  
19 sufficient and will constitute a violation of this  
20 order.

21 Petitioners shall also sit for an  
22 additional deposition not to exceed two days in  
23 length no later than April 20 -- beginning no later  
24 than April 24, 2023. At his deposition, respondent  
25 shall answer all questions asked of him unless



1 specifically instructed otherwise by counsel. And  
2 if, during respondent's deposition, it becomes  
3 apparent that additional time is needed, the parties  
4 shall promptly contact chambers.

5 I, now, proceed to petitioners' request for  
6 sanctions as to the respondent. Here, the legal  
7 standard is as follows: Failure to comply with a  
8 discovery order may result in sanctions, including  
9 monetary penalties and dismissal of an action with  
10 prejudice. One case for that proposition is the  
11 Second Circuit's 2009 decision in Agiwal v. Mid  
12 Island Mortgage Corporation; 555 F.3d 298.

13 The Court considers several factors in  
14 evaluating a sanctions motion. These include,  
15 number one, the willfulness of the noncompliant  
16 party or the reason for noncompliance; number two,  
17 the efficacy of lesser sanctions; number three, the  
18 duration of the period of noncompliance; and number  
19 four, whether the noncompliant party had been warned  
20 of the consequences of noncompliance.

21 Because the text of the rule requires only  
22 that the district court's orders be just, however,  
23 and because the district court has wide discretion  
24 in imposing sanctions under Rule 37, these factors  
25 are not exclusive, and they need not each be

1 received against the party -- resolved -- excuse  
2 me -- against the party imposing the sanctions. I'm  
3 citing here to two decisions from the Second  
4 Circuit: Their 2010 decision in Southern New  
5 England Telephone Company v. Global Naps  
6 Incorporated; 624 F.3d 123, and Shcherbakovskiy v.  
7 Da Capo Al Fine, Limited; 490 F.3d 130 from 2007.

8           So going through these factors, I will  
9 now -- the Court finds first that respondent has  
10 repeatedly and intentionally violated the Court's  
11 discovery orders and that sanctions are warranted.  
12 For one, respondent's productions to date have been  
13 woefully inadequate. Although respondent touts  
14 producing over 2,500 pages of responsive documents,  
15 both the content and the timing of his document  
16 productions are quite lacking.

17           In the more than five months since the  
18 Court ordered expedited discovery in this matter,  
19 petitioner has produced only a few nonpublic  
20 documents. More than 90 percent of his productions  
21 are judgments from other court actions involving  
22 respondent and his affiliates, which, while  
23 technically responsive, are public documents.  
24 Respondent has offered very little that petitioners  
25 could not and probably have not obtained on their

1 own.

2 Respondent's few productions of nonpublic  
3 documents are clearly incomplete. For instance, he  
4 produced just one year of bank records from one bank  
5 despite respondent, his current counsel and his  
6 former counsel identifying at least four other banks  
7 that he uses: JPMorgan Chase, Standard Chartered  
8 Bank, Citibank, and East West Bank. Similarly,  
9 respondent produced only one tax return, an amended  
10 2021 return filed in January 2023 for a single year,  
11 despite testifying that he filed U.S. taxes in 2020,  
12 2021 and 2022. After petitioners filed this motion,  
13 respondent produced one additional tax return for  
14 2020 and statements from one additional bank,  
15 JPMorgan.

16 To the Court's knowledge, respondent has  
17 not produced his 2022 returns or statements from the  
18 remaining banks. Respondent has, perhaps more  
19 troublingly, given conflicting and sometimes  
20 incredible responses to document requests. For  
21 instance, he maintains that he has no responsive  
22 documents to petitioners' request for documents  
23 relating to motor vehicles, watercraft, or aircraft,  
24 despite testifying about a black Rolls-Royce. Even  
25 worse, he has completely refused to produce

1 documents that he admits exist and are responsive to  
2 petitioners' requests.

3 For instance, he had an assistant take a  
4 responsive document, a written agreement with  
5 St. Tome LLC, a company from which he receives funds  
6 each month, to Singapore, and he refuses to produce  
7 a schedule of assets connected with a deed of gift  
8 for his mansion in Old Westbury despite testifying  
9 that the document is in one of his New York homes.  
10 The willfulness of respondent's compliance is  
11 evidenced as well by the timing of his bare-bones  
12 productions.

13 Respondent did not produce any documents  
14 until after petitioners filed a letter notifying the  
15 Court of his noncompliance. He made additional  
16 disclosures just hours before this Court's  
17 January 20, 2023 pre-motion conference. The Court  
18 is not blind to the timing of these scant  
19 disclosures. It seems that respondent's strategy is  
20 to produce copious public records on the eve of  
21 court deadlines to divert attention from his  
22 uncooperativeness.

23 Additionally, respondent has a pattern of  
24 producing the bare minimum in key categories of  
25 documents; a single tax return, a single bank record

1 as examples, so that he can claim to have satisfied  
2 those requests. He has not, and that informs the  
3 Court's decision today.

4 Additionally, respondent violated the  
5 Court's order compelling his deposition. During  
6 respondent's deposition, the parties informed the  
7 Court that respondent refused to answer nearly every  
8 question asked of him based on his opinion that the  
9 questions were irrelevant. The Court warned  
10 respondent that his recalcitrance was a violation of  
11 the order compelling his deposition, yet even after  
12 the Court's intervention, even after the Court's  
13 instruction, respondent continued to flout the  
14 proceeding, filibustering with long stories  
15 unrelated to the questions asked, and telling an  
16 incredible story about his lifestyle being funded by  
17 the generosity of friends whose names respondent has  
18 conveniently forgotten. Contrary to respondent's  
19 suggestion, merely appearing at the deposition was  
20 not enough. The Court ordered respondent to respond  
21 to the questions in good faith, and he did not.

22 Time and again, respondent has done what he  
23 perceives to be, but is not even, the bare minimum  
24 to be able to feign cooperation with petitioners'  
25 discovery requests. Given respondent's pattern of

1 behavior over a period of months, the Court finds  
2 that respondent's repeated efforts to evade  
3 disclosure of his assets and to avoid collection are  
4 willful violations of his obligations under the  
5 Federal Rules of Civil Procedure and this Court's  
6 orders. Monetary sanctions are appropriate.

7 Under Rule 37(a)(5)(A), the Court must,  
8 after giving an opportunity to be heard, require the  
9 party or deponent whose conduct necessitated the  
10 motion, the party or attorney advising that conduct,  
11 or both, to pay the movant's reasonable expenses  
12 incurred in making the motion, including attorneys'  
13 fees.

14 This Court orders respondent to pay  
15 petitioners' reasonable expenses and attorneys' fees  
16 incurred in connection with the instant motion.  
17 Additionally, respondent shall bear the costs of his  
18 own deposition continuation. This sanction reflects  
19 the severity of respondent's violations and, it is  
20 hoped, incentivizes respondent to cooperate fully  
21 with future discovery efforts.

22 Although the Court would be legally  
23 justified in doing so, it will not, at this time,  
24 issue a contempt order against respondent. To be  
25 clear: Federal courts have the statutory authority

1 to punish contempt of their authority -- fine or  
2 imprisonment, or both -- at the Court's discretion.  
3 As shown in § 401 of Title 18 of the United States  
4 Code, a contempt order is a "potent weapon" that is  
5 inappropriate if there "is a fair ground of doubt as  
6 to the wrongfulness of the defendant's conduct."

7 I'm quoting here from the Second Circuit's  
8 2009 decision in Latino Officers Association of the  
9 City of New York, Incorporated v. the City of New  
10 York; 558 F.3d 159.

11 A civil contempt order is appropriate if,  
12 number one, the order the contemnor failed to comply  
13 with is clear and unambiguous; number two, the proof  
14 of noncompliance is clear and convincing; and number  
15 three, the contemnor has not diligently attempted to  
16 comply in a reasonable manner. As but one of many  
17 cites for this proposition, I quote -- or I'm citing  
18 to Perez v. Danbury Hospital; 347 F.3d 419, a Second  
19 Circuit decision from 2003.

20 Courts enjoy broad discretion in  
21 determining the appropriate sanction for civil  
22 contempt. That's discussed at some length in  
23 Carrington v. Graden; 2021 Westlaw 1077772.

24 The Court may resort to incarceration as a  
25 coercive sanction for civil contempt such that the

1       contemnor is able to purge the contempt and obtain  
2       his release by committing an affirmative act.  
3       That's discussed by the Supreme Court in  
4       International Union of Mine Workers of America v.  
5       Bagwell; 512 U.S. 821, and by the Second Circuit in  
6       Close-Up International, Incorporated v. Berov;  
7       474 Federal Appendix 790. But the Court is denying  
8       the petitioners' motion for a contempt hearing  
9       without prejudice as to its renewal upon further  
10      noncompliance.

11             To explain, this Court has no doubt that a  
12      contempt finding could be justified on the existing  
13      record. The Court's orders regarding document  
14      production and respondent's obligations to answer  
15      all questions at his deposition, unless specifically  
16      instructed otherwise by counsel, were clear and  
17      unambiguous. And as just detailed, respondent's  
18      failure to comply with those orders is beyond  
19      question. But the Court is concerned that a  
20      contempt filing is -- finding is premature mainly  
21      because it presupposes that respondent will fail to  
22      comply with today's order compelling further  
23      discovery.

24             In other words, this Court, today, at this  
25      moment, is hopeful that today's ruling can serve as



1 a wake-up call for respondent and can prompt him to  
2 take his discovery obligations more seriously, but  
3 respondent is hereby warned: Further noncompliance  
4 with the Court's discovery orders, including today's  
5 ruling, will simply not be tolerated. If respondent  
6 again fails to comply with his discovery obligations  
7 in a timely and complete manner, petitioners may  
8 renew their contempt motion. The Court will then  
9 promptly schedule a civil contempt hearing in which  
10 respondent may be found in contempt and incarcerated  
11 until he cures his deficient productions or  
12 satisfies the outstanding judgment.

13 The Court is denying, however, petitioners'  
14 motion for sanctions as to the Seiden Law Group. It  
15 is the final request that petitioners are making.  
16 And in petitioners' view, sanctions are warranted  
17 because the firm made false statements to the Court  
18 in respondent's reconsideration motion, including  
19 that respondent is not presently affiliated with  
20 either the building address or the Zhang Tai Road  
21 address as discussed in the Court's prior written  
22 opinion.

23 Petitioners assert that had the firm  
24 conducted even a reasonably diligent investigation,  
25 including looking at the Court judgments respondent

1 eventually produced in this matter, it would have  
2 seen numerous contemporaneous records attributing  
3 those addresses to respondent. Petitioners also  
4 maintain that sanctions are warranted against the  
5 firm because the firm frustrated respondent's  
6 deposition by coaching respondent's answers by, for  
7 instance, prompting him to refer to Duolu as his  
8 ex-wife rather than his wife and to change his  
9 testimony about who is depicted burning money in a  
10 video respondent showed on his phone.

11 In its defense, the Seiden Law Group is  
12 arguing that petitioners' sanctions motion is an  
13 improper attempt to supplement or to reargue the  
14 reconsideration motion and seeks to explain the  
15 supposed inconsistencies the petitioners identify.  
16 The firm also denies coaching respondent during his  
17 deposition.

18 At this time, the Court will not order  
19 sanctions against the Seiden Law Group because  
20 petitioners have not yet established the firm's bad  
21 faith. The Court has already issued its opinion  
22 denying respondent's motion for reconsideration and  
23 will not address the substantive issues raised in  
24 that motion, including which addresses are properly  
25 attributable to respondent here now.

1           The Court does find, however, that while it  
2 ultimately disagreed with respondent's views on the  
3 law and the facts, the views were not totally  
4 unfounded, and counsel had a good faith basis to  
5 make those arguments respondent's -- namely,  
6 respondent's sworn testimony regarding his  
7 affiliation, or lack thereof, with the relevant  
8 addresses.

9           The Court also notes that the Seiden firm  
10 was retained and appeared shortly before the filing  
11 of the reconsideration motion. And while that is no  
12 excuse for not conducting a thorough investigation,  
13 it suggests -- at least the Court hopes it  
14 suggests -- that the firm acted with limited  
15 information rather than bad faith.

16           Petitioners' concerns about counsels'  
17 conduct during respondent's deposition do not, on  
18 this record, warrant sanctions. Many of the issues  
19 petitioners raised -- chiefly, the firm's  
20 clarification of respondent's marital status -- may  
21 be attributable to good-faith attempts to create an  
22 accurate record or to clarify unclear  
23 foreign-language interpretations, rather than a  
24 more nefarious attempt to prompt respondent to  
25 change course.

1           Going forward, the Court expects the Seiden  
2     Law Group to diligently ensure respondent's  
3     compliance with his discovery obligations and to  
4     impress upon respondent the consequences of failing  
5     to do so. The Court also expects respondent to  
6     refrain from any improper or bad-faith conduct  
7     during his second deposition. Failure to do so may  
8     result in future sanctions, including sanctions  
9     against the Seiden Law Firm, but such a penalty is  
10    not warranted at this juncture.

11           In conclusion, the Court finds that it has  
12    been very generous to respondent to date. That  
13    generosity, however, has now reached its limit. For  
14    the reasons the Court has just laid out,  
15    petitioners' motion to compel and for sanctions  
16    against respondent is granted, and petitioners'  
17    motion for contempt finding against respondent and  
18    for sanctions against the Seiden Law Group are  
19    denied without prejudice as to their renewal.

20           This Court remains deeply concerned about  
21    respondent's five-month history of flouting his  
22    post-judgment discovery obligations. It is trying  
23    at the moment to be optimistic that he will reform  
24    his behavior going forward, if for no other reason  
25    other than the threat of incarceration for continued

1 noncompliance.

2 I thank you all for your attention to this  
3 ruling. I will direct the clerk of court to  
4 terminate the pending motion at Docket Entry 104.  
5 Thank you very much. We are adjourned.

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C E R T I F I C A T E

I, Marissa Mignano, certify that the foregoing transcript of proceedings in the case of HUZHOU CHUANGTAI RONGYUAN INVESTMENT MANAGEMENT PARTNERSHIP, et al v. HUI QIN, Docket #21-cv-09221, was prepared using digital transcription software and is a true and accurate record of the proceedings.

Signature

Marissa Mignano

Marissa Mignano

Date: April 19, 2023